

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-15-0421-4066
ELECTIONS: VC-539283-CBM Unit BD-63
(hereinafter "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on June 20, 2015, and recorded in Deed Book 526, Page 839 in the Office of the Clerk of the Circuit Court for Dickenson County, Virginia on July 6, 2015 (herein "Board Order") and (2) to complete the record regarding elections. The Board Order established a drilling unit and pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 *et seq.*, Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Board Order directed Range Resources-Pine Mountain, Inc., (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

- (b) The Designated Operator filed its affidavit of mailing dated July 9, 2015, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated November 8, 2015, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.7C (herein "Affidavit of Elections" annexed hereto), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election(s) made, if any; and (iii) whether, by reason of failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;
 - (d) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Bank and Trust Company, Trust Division, 38 East Valley Street, Bristol, Virginia 24201; Tel: (276) 466-9222; Attn: Jody Maney, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated July 18, 2006. The Affidavit of Elections indicates that the escrow of funds **is not required** with regard to Well No. VC-539283 CBM Unit BD-63.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at Paragraph 2 above, to the extent escrow was required and to the extent it pertained to the elections and interests of the Respondents who have entered into a royalty split agreement and no longer require escrow of any funds, the Applicant is hereby directed to provide the Board with reconciliation of its and the Escrow Agent's records so that any funds affected by this Order may be disbursed in an appropriate manner.
 4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary

of the Board within ten (10) days after the date of receipt of this Supplemental Order stating that a true and correct copy of this Supplemental Order was mailed within seven (7) days from the date of receipt of this Supplemental Order to each Respondent whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED**.
6. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DB 531 PG 757
DONE AND EXECUTED this 1 day of December, 2015 by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert

Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 1 day of December, 2015, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Sally Settle Ketron
Sally Settle Ketron, Notary Public
7623162

My Commission expires: January 31, 2019

DONE AND PERFORMED this 2 day of December, 2015 by Order of the Virginia Gas and Oil Board.

Rick Cooper

Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 2 day of December, 2015, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Sally Settle Ketron
Sally Settle Ketron, Notary Public
7623162

My Commission expires: January 31, 2019



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Range Resources-Pine Mountain, Inc., for the Pooling of Interests in VC-539283 CBM Unit BD-63 Docket No. VGOB-15-0421-4066 in the Ervinton District, Duty Quadrangle, Dickenson County, Virginia.

AFFIDAVIT OF MCKINNIS & SCOTT, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

Timothy E. Scott (herein Affiant), being duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of MCKINNIS & SCOTT, the Agent for the Designated Operator, with offices located at 135 W. Main Street, Suite 200, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on June 20, 2015, by the Virginia Gas and Oil Board regarding the captioned coalbed methane gas unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed and recorded copy of the Order referred to at Paragraph 2, above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent, if known and locatable, named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Lebanon, Virginia;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender written notice of their election of the option selected under Paragraph 9 of the Order to the Designated Operator within thirty (30) days from the date of receipt of a copy of the recorded Order;
5. That the Designated Operator, by and through its agent, McKinnis & Scott, Attorneys-at-Law, has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order;

that said procedures were followed to identify the elections, if any, made with regard to Subject Drilling Unit; that the following persons or entities delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day elections period:

None

6. That the interest and/or claims of the following persons or entities (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, are in conflict and/or unknown or unlocatable:

None

7. That after the pooling hearing held in the captioned matter, the following persons or entities have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims:

None

8. That the Designated Operator with regard to persons previously requiring the services of the Escrow Agent have now reached an agreement regarding their interests or claims that allows Applicant/Designated Operator to make royalty distribution without the need to escrow funds which would otherwise be in conflict:

None

9. That the Respondents identified in Exhibit B-3 hereto have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective oil and gas rights, interests and claims shall be deemed to have leased to Applicant/Designated Operator pursuant to and in accordance with Paragraph 10 of the Board Order dated June 20, 2015:

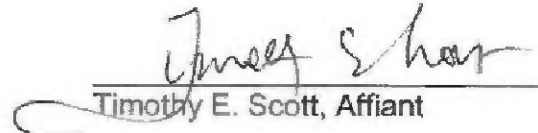
See Exhibit B-3

10. The Designated Operator requests that the following persons be dismissed as Respondents:

None

That pursuant to the provisions of 4VAC 25-160.70.A.10 and .C and VAC 25-160-80, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent is not required in this matter pursuant to the terms of §§ 45.1-361.21.D and 45.1-361.22.A.3 and .4.

Dated at Kingsport, Tennessee, this 8th day of November, 2015.

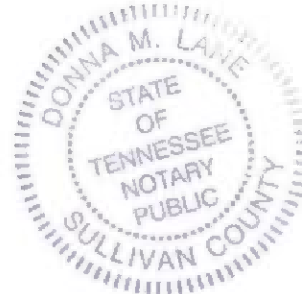

Timothy E. Scott, Affiant

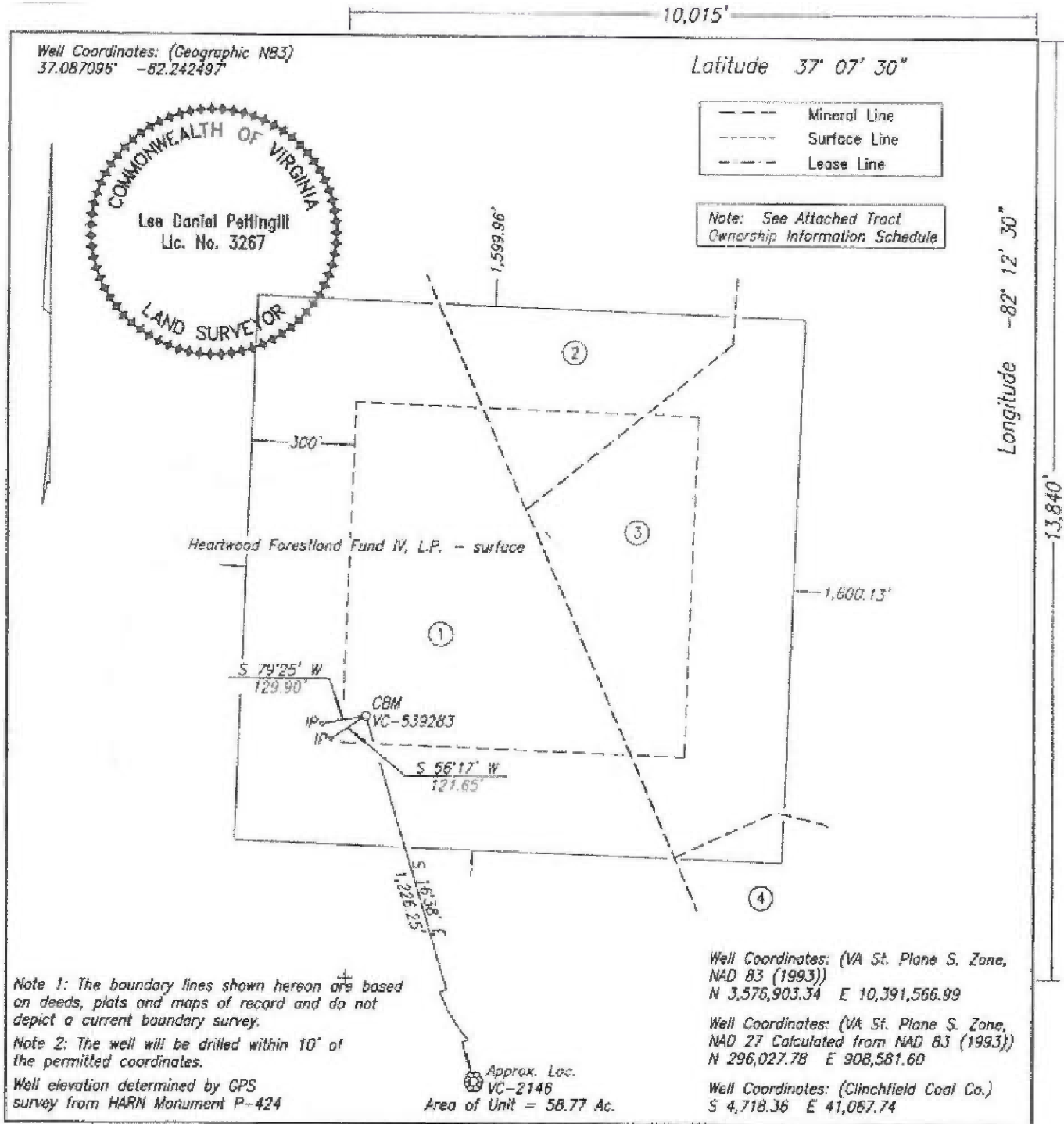
Taken, subscribed and sworn to before me by Timothy E. Scott, the Agent for Range Resources-Pine Mountain, Inc., a corporation, on behalf of the corporation, this 8th day of November, 2015.


Notary Public

My commission expires: 7-18-2017

[f:\msword2000\pinemountainoilandgas\pooling.VC-539283.supportorder&aff]





WELL LOCATION PLAT NORA GRID BD-63

COMPANY Range Resources-Pine Mountain, Inc. WELL NAME AND NUMBER VC-539283
 TRACT NO. D. C. Davis ELEVATION 2,056.40' QUADRANGLE Duty
 COUNTY Dickenson DISTRICT Ervinton SCALE 1" = 400' DATE 3-19-2015
 This Plat is a new plat X; an updated plat ; or a final location plat

+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

Lee Daniel Pettingill
 Licensed Professional Engineer or Licensed Land Surveyor

Exhibit A

Exhibit "B"
VC-539283

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
Coal Estate Only				
1	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212 Tax # Minerals Only	Owner	56.71000000	33.33000000
2	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212 Tax # Minerals Only	Owner	10.94000000	6.43000000
3	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212 Tax # Minerals Only	Owner	31.33000000	18.41000000
4	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212 Tax # Minerals Only	Owner	1.02000000	0.60000000
TOTAL GAS ESTATE			100.00000000	58.77000000
Percentage of Unit Leased		100.00000000		
Percentage of Unit Unleased		0.00000000		
Acreage in Unit Leased		58.77000000		
Acreage in Unit Unleased		0.00000000		

Exhibit "B"
REVISED 7/24/2015
VC-539283

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
Gas Estate Only				
1	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212 Tax # 20457	Owner	56.71000000	33.33000000
2	Russell & Lora Sutherland 192 Oliver Lane Clintwood, VA 24228 Tax # 3922	Leased	10.94000000	6.43000000
3	Tax # Minerals Only Joseph R & Deena McAfee 3103 Frying Pan Road Birchleaf, VA 24220	Unleased	15.66500000	9.20500000
	Ricky Ray Edwards 4014 Frying Pan Road Birchleaf, VA 24220	Unleased	15.66500000	9.20500000
	Tract 3 Totals		31.33000000	18.41000000
4	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212 Tax # 20606	Owner	1.02000000	0.60000000
	TOTAL GAS ESTATE		100.00000000	58.77000000
	Percentage of Unit Leased	68.67000000		
	Percentage of Unit Unleased	31.33000000		
	Acreage in Unit Leased	40.36000000		
	Acreage in Unit Unleased	18.41000000		

Exhibit "B-3"
REVISED 7/24/2015
VC-539283

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage In Unit
Gas Estate Only				
3	Tax # Minerals Only Joseph R & Deena McAfee 3103 Frying Pan Road Birchleaf, VA 24220	Unleased	15.66500000	9.20500000
	Ricky Ray Edwards 4014 Frying Pan Road Birchleaf, VA 24220	Unleased	15.66500000	9.20500000
Tract 3 Totals			31.33000000	18.41000000
TOTAL GAS ESTATE			31.33000000	18.41000000

Coal Estate Only

NONE

Exhibit "E" - Escrow Owners
VC-539283

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit
None				

INSTRUMENT #150001481
 RECORDED IN THE CLERK'S OFFICE OF
 CLACKAMAS COUNTY ON
 DECEMBER 29, 2015 AT 11:16AM
 RICHARD W. EDWARDS, CLERK
 RECORDED BY: CJB